



dab Data Products

dab Data Products – Vendor Master Data

Customer Brochure



dab Data Product Vendor Master Data

helps companies optimize their procurement operations through comprehensive supplier visibility and decision-making capabilities. Our solution integrates vendor **data from across your entire procurement and supplier management lifecycle** — from vendor onboarding and qualification to purchase orders and payment processing.

According to recent industry research, 55% of organizations that claim to have best-in-class supplier data only have moderate oversight of their information, while poor procurement data quality can result in duplicate payments, missed volume discounts, and compliance violations that cost organizations millions annually.¹ Our solution addresses these critical challenges by providing **real-time insights into your supplier relationships and procurement activities**.

Users can track vendor performance, monitor compliance status, manage payment terms and banking information, and maintain current contact and certification data.

A key benefit is the **translation of technical SAP codes into business-friendly terms**, making

supplier information accessible without specialized knowledge. Our solution transforms raw vendor data into structured formats that support daily procurement operations and provide a foundation for identifying cost optimization opportunities.

Designed for procurement teams, finance departments, and compliance officers in organizations of all sizes, dab Data Product Vendor Master Data delivers the transparency and analytical capabilities needed to actively manage supplier relationships and maximize procurement efficiency.



55%

of organizations that claim to have best-in-class supplier data only have moderate oversight of their information.

Getting started is straightforward:

we'll assess your SAP system, demonstrate the solution with your data, and implement a tailored plan that matches your procurement organization's needs.

¹ <https://www.hicx.com/whitepapers/solving-the-procurement-data-dilemma/>

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Overview [dab Data Product](#) [Vendor Master Data](#)

This Data Product serves as the cornerstone of your Vendor Master Data management strategy, providing **a unified foundation that eliminates information silos and creates operational transparency** across your entire supplier ecosystem.

What it accomplishes: Your organization gains a comprehensive, real-time view of every vendor relationship through standardized data structures that integrate seamlessly with existing SAP environments. The Data Product eliminates duplicate records, standardizes naming conventions, and maintains data integrity across all business units.

Multiple Data Views: Combining several interconnected components, the solution builds a complete vendor profile. The output includes multiple tables, each linked through relationships that maintain consistency and reliability throughout your data landscape.

- [Base Table \(LFA1\)](#) Core vendor master records with essential business information

- [Bank Account \(LFBK\)](#) Complete banking and payment infrastructure data

- [Finance \(LFB1\)](#) Financial integration and accounting reconciliation

- [Purchasing \(LFMI\)](#) Procurement-specific data and purchasing workflows

This integrated approach ensures that **when you update vendor information in one area, all related systems automatically synchronize**, maintaining consistency and eliminating the costly errors associated with fragmented data management.

Business Value Focus: Rather than simply storing data, this Data Product transforms information into actionable intelligence, enabling your organization to optimize supplier relationships, ensure compliance, and drive strategic procurement decisions with confidence.

Core Vendor Information (LFA1)

The base table **captures essential supplier identity information** including company names, addresses, contact details, tax identification numbers, and organizational hierarchies. The system maintains both primary and alternative vendor designations, supporting complex corporate structures and subsidiary relationships. **Vendor numbers and account groups are automatically managed**, while business-friendly information remains easily accessible through **intuitive interfaces that require no specialized system knowledge**.

You can instantly access complete vendor profiles that provide 360-degree visibility into supplier relationships. This comprehensive view enables informed decision-making, streamlines vendor onboarding processes, and ensures consistent communication across all touchpoints. The system eliminates duplicate vendors and maintains a single source of truth for all supplier information. You can track parent-child relationships and corporate hierarchies across global organizations while maintaining current decision-maker information and communication preferences automatically.

The solution monitors VAT registration, tax status, and regulatory requirements to ensure compliance. Core vendor information serves as the foundation for all procurement activities, feeding directly into purchase order generation, payment processing, and contract management workflows. When your team needs to engage with suppliers, all essential information is immediately available, reducing response times and improving relationship management.

Banking & Payment Data (LFBK)

The banking component **manages comprehensive payment infrastructure** including bank account details, international account numbers, payment routing information, and collection authorizations. The system **supports multiple banking relationships per vendor and maintains historical payment preferences**. Swift codes, account holder validation, and international banking standards are seamlessly integrated, ensuring global payment capability while maintaining security and compliance standards.

Your finance team gains confidence in payment processing accuracy while reducing the administrative burden of maintaining banking information. Automated validation prevents payment

errors, while comprehensive audit trails ensure regulatory compliance and fraud prevention. The system handles vendors with multiple global banking relationships and provides automated verification of banking details and routing information. Full international account number and Swift code management enables global transactions with complete tracking of banking changes and user accountability.

Banking data integrates directly with accounts payable workflows, enabling automated payment processing and reducing manual intervention. When payments are made, the system ensures accurate routing while maintaining detailed records for financial reconciliation and audit requirements.

Financial Integration (LFB1)

The financial integration component **manages accounting reconciliation, general ledger connections, payment terms, and company-specific financial configurations**. The system handles reconciliation accounts, payment blocks, duplicate invoice checking, and alternative payee arrangements at the company code level. **Multi-currency support and payment method preferences ensure seamless integration with existing financial systems** while maintaining proper segregation of duties and approval workflows.

Your accounting team achieves streamlined financial operations with automated reconciliation processes and consistent application of payment terms. The system reduces manual financial data entry while ensuring proper controls and audit trails for all vendor-related financial transactions. Seamless connection with accounting systems and chart of accounts enables automated application of negotiated payment terms and conditions. The solution handles complex organizational structures with appropriate financial controls and provides advanced checking mechanisms to prevent duplicate invoices and payments.

Financial data feeds directly into accounting workflows, enabling automated invoice processing, payment approvals, and financial reporting. When financial transactions occur, all vendor-specific terms and conditions are automatically applied, ensuring consistency and reducing processing errors.

Purchasing & Procurement Integration (LFM1)

The purchasing integration component **manages procurement-specific vendor information** including purchasing groups, organizations, payment terms, and international trade terms. The system maintains purchase order currencies, automatic generation settings, and goods receipt-based invoice verification flags. Specialized fields handle purchasing blocks, deletion indicators, and organization-specific vendor configurations that ensure appropriate procurement controls and workflow automation.

Your procurement team operates with complete vendor configuration visibility, ensuring appropriate sourcing decisions and automated workflow execution. This integration **eliminates manual data entry while ensuring procurement policies are consistently applied** across all vendor interactions. The system provides seamless connection with purchase order and approval processes and handles complex organizational structures with appropriate controls. Automated application of payment terms and trade conditions ensures purchasing policies are consistently applied across all transactions.

Purchasing data feeds directly into procurement workflows, enabling automated vendor selection,

purchase order generation and invoice processing. When procurement professionals need to source materials or services, all vendor capabilities and constraints are immediately visible, ensuring appropriate sourcing decisions and policy compliance.

Analytical Capabilities (dab AnalyticSuite)

The dab Data Product Vendor Master Data seamlessly integrates with our comprehensive [dab AnalyticSuite](#), transforming your clean, standardized vendor data into powerful business intelligence that drives strategic decision-making and operational excellence.

Five Key Analytical Areas:

1 Spend Analytics & Optimization: Generate comprehensive spend visibility across vendors, categories, and business units to identify consolidation opportunities and negotiate better terms.

2 Vendor Performance Management: Monitor supplier performance metrics, delivery reliability, and quality indicators to optimize your supplier portfolio.

3 Compliance & Risk Assessment: Track regulatory compliance, financial stability, and operational risks across your entire vendor ecosystem.

4 Payment & Cash Flow Analytics: Analyze payment patterns, optimize cash flow management, and identify early payment discount opportunities.

5 Strategic Sourcing Intelligence: Leverage vendor data to support strategic sourcing decisions with market analysis and supplier capability assessments.

Customization & Integration Capabilities: Our AnalyticSuite adapts to your specific business requirements, integrating with existing ERP systems, financial platforms, and procurement tools. Pre-built dashboards provide immediate insights, while custom analytics can be configured to address unique organizational needs.

The combination of Vendor Master Data with advanced analytics capabilities enables you to transform vendor information from an operational necessity into a strategic competitive advantage.

Use Cases



Procurement Excellence & Cost Optimization

Challenge: Organizations struggle to optimize vendor relationships and identify cost-saving opportunities due to fragmented supplier information and limited spending visibility.

Questions the dab Data Product Vendor Master Data answers:

- Which vendors offer the best pricing across different business units?
- Where can we consolidate spending to achieve better negotiating leverage?
- What alternative suppliers exist for critical categories?
- How can we optimize payment terms to improve cash flow?

Use Case #1

A manufacturing company discovered they were purchasing ball bearings and industrial fasteners from related entities at different price points without leveraging combined volume for better negotiations. They identified these relationships and achieved **15% cost savings through consolidated contracting.**



Compliance & Risk Management

Challenge: Maintaining regulatory compliance while managing supplier risks becomes increasingly complex with fragmented vendor data and manual tracking processes.

Questions the dab Data Product Vendor Master Data answers:

- Which vendors have current compliance certifications and documentation?
- What suppliers pose financial or operational risks to our business?
- How do we ensure proper tax and regulatory reporting across all vendors?
- Where are we exposed to supply chain disruptions?

Use Case #2

A global corporation was able to identify that 23% of its suppliers lacked current tax certifications. Through proactive remediation, the company **avoided potential compliance penalties estimated at \$2.3 million annually.**



Financial Operations & Process Efficiency

Challenge: Finance teams face payment delays, duplicate vendor records, and manual reconciliation processes that increase operational costs and error rates.

Questions the dab Data Product Vendor Master Data answers:

- How can we eliminate duplicate payments and vendor record errors?
- What opportunities exist to optimize payment processes and terms?
- Where can we automate financial reconciliation and reporting?
- How do we ensure accurate tax reporting and compliance?

Use Case #3

An automotive manufacturer reduced invoice processing time by 40% and eliminated duplicate vendor payments worth \$850,000 annually after implementing comprehensive Vendor Master Data management.



Strategic Supplier Relationship Management

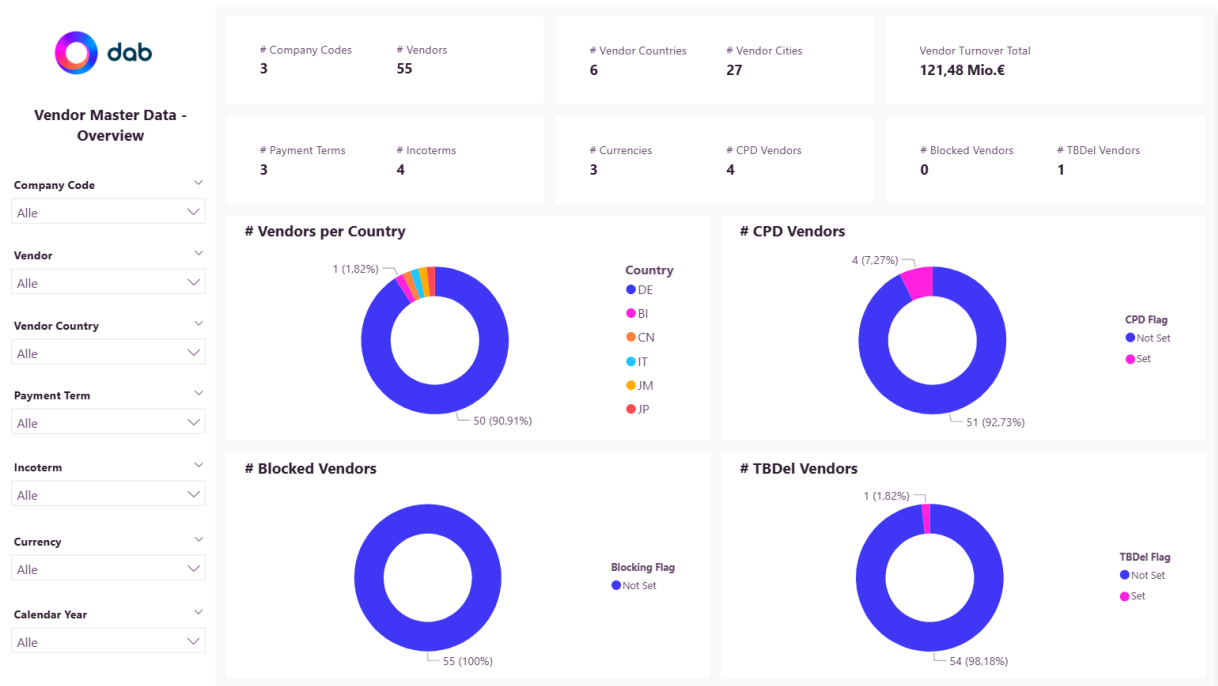
Challenge: Organizations lack comprehensive supplier performance visibility, hindering strategic relationship development and supply chain optimization.

Questions the dab Data Product Vendor Master Data answers:

- Which suppliers consistently deliver quality products on time?
- What vendor relationship should we strengthen or diversify?
- How can we better align supplier capabilities with business objectives?
- Where should we invest in strategic partnerships versus transactional relationships?

Use Case #4

A technology company leveraged Vendor Master Data analytics to identify their top-performing suppliers and restructured relationships, resulting in 25% improvement in on-time delivery and \$1.8 million in quality-related cost avoidance.



Power BI Report "Data Product Vendor Master Data" Page "Overview" displaying key metrics along with visual breakdowns of vendor information.

Summary and next Steps

This Data Product transforms your Vendor Master Data into meaningful business insights. It provides visibility across the entire procurement process by connecting suppliers, banking information, purchasing history, and financial relationships into a unified view.

The solution helps you understand vendor performance patterns, manage supplier relationships effectively, and identify opportunities for cost optimization. Information is presented in business-friendly language, making it accessible to users without technical expertise.



Key Benefits include:

- Complete visibility across the vendor management and procurement lifecycle
- Multi-dimensional analysis of vendor performance and compliance metrics
- Clear understanding of supplier relationships and procurement team effectiveness
- Improved compliance with purchasing policies and payment management procedures
- Better decision-making based on comprehensive vendor insights

Ready to improve your order-to-cash process? Getting started is simple:

1 Assessment: We evaluate your SAP environment and Vendor Master Data needs

2 Demonstration: See the solution in action with your actual data

3 Implementation: We set up a tailored solution in your environment

4 Activation: Gain immediate access to 31 Vendor Master Data analyses

Contact us today to discover how dab Vendor Master Data can help you achieve greater efficiency, visibility, and strategic value from your procurement operations.

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